

Summary of Changes for 2022 Qualified Allocation Plan *2nd Draft*

Minor formatting, wording, or grammatical changes are not identified in this list or redlined in the draft QAP.

Section 4: Set-Aside Categories

- No changes from 1st Draft

Section 5: Threshold Requirements

- 5.1(H)(4)(a): Changed “each primary source” to “each source” to eliminate confusion about the definition of primary.
- 5.3B: Changed developer fee calculation. The highest per unit fee is now earned for the first 30 units, not the first 20 units.
- 5.3C: Clarified that developer fees and site work not included in the construction contract are not part of the contractor fee calculation.
- 5.3F: Changed policy to allow general requirements, contractor overhead, and contractor profit to be included in the hard cost contingency calculation.
- 5.4B(5): Changed wording on shingles requirement to apply only to roofing that uses shingles.
- 5.4E: Universal Design Chart, Column C- clarified that the option for toilets with seat heights 17-19” inches applies to at least one bathroom in each unit.

Section 6: Scoring Criteria

- 6.1: Rents Charged- changed chart to be based on the percentage of RHTC units instead of % of total units.
- 6.2G: Infill New Construction- updated language on required documentation.
- 6.2J: Federally Assisted Revitalization- clarified required documentation for New Market Tax Credits.
- 6.2J: Federally Assisted Revitalization- eliminated Promise Zones.
- 6.2N: Internet Access- clarified the applicability of required documentation. Applicant only needs to submit documentation of internet costs if the Owner is paying for internet service.
- 6.5A: Certified Tax Credit Compliance Specialist- updated title for Quadel certification and added new option for Novogradac Property Compliance certification (NPCC).

Section 7: Miscellaneous

- 7.6: Updated language about prohibited modification requests to the development site. This was new language proposed in the 1st Draft and has now been updated.

Pending Changes to Form A: A revised Form A will be issued this spring for testing and public comments.

- As currently noted with a comment in Part 5.2 of the QAP, the 2022 Form A will include an underwriting spreadsheet that checks for underwriting issues and flags items that are outside of IHCD threshold requirements.
- As currently noted with a comment in Part 5.3F of the QAP, the itemized costs in Form A will include a new line item h7 for soft cost contingency.

- As currently noted with a comment in Part 6.4 of the QAP, Form A will include a new checkbox for smoke-free housing commitments. This line in Form A will serve as the applicant's commitment that smoke-free rules will apply to staff at the property and that any designated smoking areas will be 25' or more away from the buildings.
- As currently noted with a comment in Part 7.4 of the QAP, a new progress/construction inspection form will be created.

SCHEDULES

Schedule C: Market Study Requirements

- General Requirements: Added reminder to verify that the selected market analyst is approved to conduct reviews for the type of project proposed.
- General Requirements: Removed requirement that approved firms must be peer reviewed.
- I(C)(1)- Added clarification on parking ratio.
- I(C)(4)- Assisted living developments must utilize a 10-12% vacancy rate. This requirement was already included in the QAP.
- I(D)- Cleanup of language regarding grocery stores to match language from 1st draft of QAP.
- I(G)- Removed requirement to include demographic data from a comparison area.
- I(H)(2)- Added requirement to discuss turnover rates within the primary market area.
- I(L)- Removed language about peer review.
- II- Removed requirement that market study provider must recertify every two years.

Schedule D1: Private Activity Tax-Exempt Bond Financing Requirements

- A(1)(j)- Added language about 50% test.
- A(1)(n)- Added language that IHCD reserves the right to use any and all carryover bond volume solely as bond issuer.

Schedule E: Procedures for Accessing HOME Funds

- No changes from 1st Draft

Schedule I: Qualified Contract Provision Policy

- No changes from 1st Draft

Schedule J: Procedures for Accessing Development Fund Loans

- M- Updated language to provide clarity on how to calculate the number of Development Fund assisted units. No change in policy, just rewriting to better explain the calculation.
- O- Clarified that before the Development Fund lien will be released from a project, the affordability period must have ended and the DF loan must be repaid in full.
- S- DF modification fees must be paid through the IHCD Online Payment Portal.